GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1884
ANSWERED ON:28.11.2016
Domestic Oil Production
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) Whether the Government has set a target of reducing crude oil imports by 10 percent of the total requirement by 2022 and if so, the details thereof along with steps taken to increase domestic resources in order to become self-reliant in the production of crude oil and natural gas;
(b) Whether the consumption/projected demand of crude oil and natural gas is likely to grow three folds by 2040 and if so, the details thereof along with the concrete steps taken to diversify our sources and technology to meet the demand in future;
(c) Whether the Government proposes to emphasise on exploration and tapping explored fields which have low production and if so, the details thereof; and
(d) the concrete steps taken/being taken by the Government to settle the contractual disputes between the Government and the oil companies?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE)
IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN):
(a) During the Urja Sangam held on 27th March, 2015, Hon'ble Prime Minister assigned the target of reducing import dependency in energy by 10% by 2021-22. A committee was constituted for "Preparing a roadmap to reduce the dependency on import in energy by 10% by 2021-22". The Committee has submitted its report which envisages a five pronged strategy (Increasing domestic production, promote bio fuels and renewable, promote energy efficiency and conservation, improvement in refining processes and demand substitution) to achieve the target. The report has been accepted by the Government.
(b) As per International Energy Agency's (IEA) World Energy Outlook 2015, the projected demand of oil and gas in India would be:
By 2040
(million tonnes of oil equivalent)
Oil
Gas
Current Policies Scenario
505
143
450 Scenario
337
179
New Policies Scenario
458
149

Government has taken several steps to enhance exploration & production of oil and gas in the country such as:
I. Easing out rigidities in the existing Production Sharing Contracts (PSCs)
II. Transparent and clear policy for grant of extension under the PSC regime
III. Grant of Marketing Freedom for gas produced from difficult areas
IV. Discovered Small Field Policy and Hydrocarbon Exploration and Licensing Policy (HELP)
V. Setting up of National Data Repository
VI. Appraisal of Unappraised Areas in various sedimentary basins etc.
These initiatives would help in increasing the production of oil and gas in the country.
(c) Yes, Government has taken up focused monitoring of various fields under PSC and nomination regimes for enhancing production of oil and gas in the country.
(d) Government has taken several steps for resolving disputes and ensuring policy based administration. The policy framework for Relaxations, Extensions and clarifications at the Development and Production stage under PSC regime for early Monetization of hydrocarbon Discoveries, Policy on Testing Requirements, Policy for Extension of PSCs have helped in resolution of several disputes and have taken the blocks forward
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